APPENDIX A.

IN THE

SUPREME COURT OF THE UNITED STATES.

Fairbanks, Morse & Co. and Sheffield Car Company, *Petitioners,* *vs.* American Valve & Meter Company and Edward E. Johnson, *Respondents.*	In Equity No. 262.

Affidavit.

State of Illinois, County of Cook, ss:

HOWARD M. COX, being duly sworn, deposes and says:

I have been a member of the bar of the Circuit Court of Appeals of the Seventh Circuit for over twenty years and am one of the attorneys in charge of the above-entitled cause. I have made a specialty of patent and trade-mark matters, and state on my own knowledge that prior to the time when this cause was refused consideration by the Circuit Court of Appeals of the Seventh Circuit on the evidence for an alleged failure to comply with Rule 75, it had been the usual and I believe the universal custom in patent suits in this circuit not to condense the testimony. At the time of the decision of the Court of Appeals in this suit, there was a similar handling of about a dozen other patent suits, which fact caused quite a discussion among the patent lawyers of Chicago, and I was present in court when the present cause and several others were brought to the attention of the Court on various motions.

I do not recall whether the remarks I am about to recite were made in connection with the instant case or

with others which were in the same situation, but I clearly remember that his Honor, Judge Albert E. Anderson, made the statement that the Court would not at that time give any indication as to whether the records withdrawn for revision would be legal and acceptable or not. It was pointed out that Equity Rule 76 did not contemplate a revision of the record or a condensation of it but rather the supplying of omissions and it was argued by some of the attorneys that as the term had gone by, the proposed proceedings would be irregular and the records as revised would have no legal standing. Judge Anderson, in reply said in substance that the Court would, metaphorically speaking, turn its head away for thirty days, during which time the appellants, if they saw fit, could attempt to revise the records to be in accordance with Rule 75, but that the Court would reserve until afterwards the right to decide whether such revised records could then be considered. Objections to the proposed plan were urgently made by various counsel for appellees and it was impossible for me, and I believe for others, to gain any idea from the Court as to whether the condensed records would be accepted by the Court after they had been made.

HOWARD M. COX.

Subscribed and sworn to before me, a notary public, this 10th day of February, 1928.

[SEAL.] RACHEL MINTZ.

FILED
NOV 29 1927
CHARLES ELMORE CROPLEY
CLERK

Supreme Court of the United States

Equity No. 262.

FAIRBANKS, MORSE & COMPANY AND SHEFFIELD CAR COMPANY,
Petitioners,

vs.

AMERICAN VALVE & METER COMPANY AND EDWARD E. JOHNSON,
Respondents.

OPPOSITION TO PETITIONERS' SUGGESTION FOR DIMINUTION OF RECORD AND MOTION FOR CERTIORARI TO CORRECT SAME.

FRANK A. WHITELEY,
Counsel for Respondents.

Hayward Brief Company, 601-607 Fourth Ave. So., Minneapolis

Supreme Court of the United States

No. 262.

FAIRBANKS, MORSE & COMPANY AND SHEFFIELD CAR COMPANY,
Petitioners,

vs.

AMERICAN VALVE & METER COMPANY AND EDWARD E. JOHNSON,
Respondents.

OPPOSITION TO PETITIONERS' SUGGESTION FOR DIMINUTION OF RECORD AND MOTION FOR CERTIORARI TO CORRECT SAME.

Respondents oppose Petitioners' Suggestion and Motion, for the following reasons:

The application of Petitioner is to add to the record certain exhibits in evidence before the Court of Appeals. These exhibits obviously can relate only to matters affecting the decision of the case upon its merits, such as the scope of the patent in suit and the question of proper measure of damages.

The application for certiorari and the reasons given under all of its six heads (pp. 8, 9) raises only the question of the propriety of the action of the Circuit Court of Appeals in holding that, under its interpretation of Rule 75 of the Equity Rules, no evidence was before it, and in the holding of the Court of Appeals that because of failure to comply

with the provisions of Rule 75 it could make no action on the merits, and because of the *failure and refusal of the Court of Appeals to act on the merits.*

The exhibits now sought to be added have no pertinency to these questions, which so far as the record is involved, call in view only the sufficiency under Rule 75 of the condensed statement of evidence printed and already before the Court.

Petitioners recognize (page 3 of Suggestion and Motion) that certiorari was not granted herein to review the case on the merits, and Petitioners substantially admit that the exhibits sought to be added would be pertinent only for that purpose, stating—

> "Should the entire merits of the case be, for any reason, taken into consideration, which Petitioners understand is not now contemplated by the Supreme Court Order herein, these exhibits would be indispensable."

And nothing in the suggestion and motion points out wherein the exhibits could in any way be material or pertinent to any of the questions raised and argued in the application for certiorari. It is urged, therefore, that the addition of these exhibits to the record would serve no purpose, and would needlessly increase expense and encumber the record.

This Court has several times held (*Alice State Bank, et al., vs. Houston Pasture Co.*, 247 U. S. 240; 38 Sup. Ct. 496) that—

> "On certiorari to review a decision of the Circuit Court of Appeals, matters not relied upon as basis for the petition will not be considered."

And in a case certified to this Court, where the Circuit

Court of Appeals, because of its construction of the law applicable to the case, whether erroneous or right, has been constrained to hold that it had no authority to render judgment on the merits, and does not do so, this Court has repeatedly held that it will not give any consideration to the merits but will remand to the Court below.

This precise question is given extended discussion, with analysis of authorities, in the case of *Brown vs. Fletcher*, 237 U. S. 583, 35 Sup. Ct. 750. In this case Mr. Chief Justice White, announced the ruling of this Court thereon in the following language:

> "As this case is one over which the action of the court below is made final by the statute, we are of the opinion that its refusal to decide the case on the merits because of an erroneous conclusion as to want of power as a Federal court to do so ought not, under the circumstances here disclosed, to be made the basis by which this court would perform a duty which the statute contemplates should be discharged by the court below.
>
> Indeed, the views just stated have been applied by previous rulings. *Lutcher & M. Lumber Co. vs. Knight*, 217 U. S. 257, 54 L. ed. 757, 30 Sup. Ct. Rep. 505; *United States vs. Rimer*, 220 U. S. 547, 55 L. ed. 578, 31 Sup. Ct. Rep. 596; *William Cramp & Sons Ship & Engine Bldg. Co. vs. International Curtis Marine Turbine Co.*, 228 U. S. 645, 57 L. ed. 1003, 33 Sup. Ct. Rep. 722. In the Lutcher case, which was brought here by the allowance of a writ of certiorari, it was found that the court below, the circuit court of appeals of the fifth circuit, had from a mistake of law refused to consider the merits of the case, and although it was recognized that, as the result of the certiorari, the whole case was

open to our review, it was yet pointed out that as, by the provisions of the act of 1891 (26 Stat. at L. 826, chap. 517), the cause was one which, apart from certiorari, was within the competency of the circuit court of appeals, and its judgment, when rendered, would be final, the duty of this court was not to determine the case on the merits, but, after correcting the error which had stood in the way of the court below performing its duty, to remand the case to that court so that such duty might be discharged. So in the Rimer case which was brought here by certiorari—when it was discovered that the writ had obviously been allowed upon a mistaken conception as to the existence in the case of a far-reaching question of public importance justifying the issue of the writ, it was pointed out that, the mistake becoming apparent, it was our duty not to decide the case, but to remand it to the circuit court of appeals, to which the certiorari had been directed, to enable that court to discharge its duty. And the same principle was involved in the *Cramp Case*, where, after the case had been brought to this court by certiorari, and it was held that the decision of the court below was void because the court which decided it was not legally organized, while it was recognized that there was power under the certiorari to dispose of the whole case, it was held that the duty arose, in order to give effect to the statute, not to decide but to remand the case so that when the court below was organized conformably to the statute, the case might be considered and disposed of as the statute contemplated it should be.

While it follows from these considerations that the decree below must be reversed, it also results that it is

> our duty to remand the case to the court below, that is, the circuit court of appeals, to the end that, all questions concerning its jurisdiction as a Federal court having been determined by the prior decision of this court, it proceed to discharge its duty of hearing and deciding the case conformably to law."

Under these authorities, it is clear the exhibits which Petitioner seeks to have added to the record have no pertinence, and the motion for certiorari to correct the record by adding them, should therefore, be denied.

Respectfully submitted,

FRANK A. WHITELEY,

Counsel for Respondents.

FEB 18
CHARLES ELMORE

Supreme Court of the United States

OCTOBER TERM, 1927.

No. 262.

FAIRBANKS, MORSE & COMPANY, AND SHEFFIELD CAR COMPANY, *Petitioners,*

vs.

AMERICAN VALVE & METER COMPANY, AND EDWARD E. JOHNSON, *Respondents.*

BRIEF ON BEHALF OF RESPONDENTS ON ORDER TO SHOW CAUSE.

FRANK A. WHITELEY,
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Supreme Court of the United States

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FAIRBANKS, MORSE & COMPANY, AND SHEFFIELD CAR COMPANY, *Petitioners*,

vs.

AMERICAN VALVE & METER COMPANY, AND EDWARD E. JOHNSON, *Respondents*.

BRIEF ON BEHALF OF RESPONDENTS ON ORDER TO SHOW CAUSE.

On June 6, 1927, Petition for Writ of Certiorari in the above entitled cause was granted. The cause went on the calendar for the October Term of 1927. On January 9, 1928, the Court issued an order as follows:

> "IT IS NOW ORDERED by this Court that the parties herein do show cause in printed briefs, if any cause there be, on or before Monday, February 20, 1928, why the decree entered by the United States Circuit Court of Appeals in this cause should not be reversed and the cause remanded to that Court for further proceedings in conformity with the rulings of this Court recently made in the case of *Barber Asphalt Paving Co. vs. Standard Asphalt & Rubber Co.*, No. 194, October Term, 1927, opinion announced January 3, 1928, in reference to the operation of Rule 75b, and to the payment, by way of re-

imbursement for expenses and counsel fees, occasioned by the fault of one or the other parties herein through the disregard of Rule 75b."

It is understood that the decision referred to in the order, *Barber Asphalt Paving Co. vs. Standard Asphalt & Rubber Co.*, is controlling and the law of this case so far as facts here bring this case within the purview of that decision. With one important and far-reaching exception the facts here are not materially different from those in the *Barber* case. Here, as there, the record was based upon testimony introduced before a Master. Here, as there, no condensed statement of testimony was lodged with the District Court and passed upon by the Court and made part of the record by Order of the Court. Here, as there, the testimony was not condensed. The fact that in the Barber case apparently none of the testimony was condensed, while in this case most of it was not condensed, the small part of condensed testimony present coming into the record by stipulation from the injunction case; and the further fact that in this case the parties stipulated the transcript which was finally approved by the Court, and in the *Barber* case the approval of the transcript was made by the Court upon motion, *not opposed*, do not distinguish the cases in any material degree. The principles announced by this Court in the *Barber* case undoubtedly apply just as well to this case, so far as is involved the preparation and certification of the record.

There is, however, a fundamental and important fact relating to this case after its first decision by the Court of Appeals of the Seventh Circuit which distinguishes it sharply from the *Barber* case, and which, we urge, should incline this Court to affirm the Decree of the Circuit Court of Appeals.

In the Barber case, the petition for re-hearing asked that the transcript be remitted to the District Court to permit a compliance with Rule 75, and the petition for re-hearing was denied. In the instant case the petition for re-hearing did not ask that the transcript be remitted; but, nevertheless, the Court of Appeals granted the petition and voluntarily gave permission to the Appellant to withdraw the transcript so that correction could be made and compliance with Rule 75 had, and Petitioners refused to make correction.

At the original hearing briefs had been filed; and the case was fully argued through the better part of a day, whereby the Court of Appeals was fully apprised of all of the points of law, as well as questions of fact, involved in the appeal. In its decision it made findings on the points of law which it appeared to regard as material, some of those findings being favorable to Petitioners and some to Respondents. Only in respect to the question of profits necessarily to be determined by the evidence before it, did the Court of Appeals decline to make findings on its holding that because of failure to comply with Rule 75 (b) no evidence was before it.

Shortly after the Court of Appeals handed down its opinion, which appears at Record, pages 580-584, the Petitioner here filed a very extended petition for re-hearing (Rec., pp. 586-619), in which it prayed the Court to withdraw and reconsider the opinion filed on December 22, 1926, and to re-hear and decide the case upon the merits. And on January 20, 1927, the Court of Appeals entered the following order (R. 662)—

> "It is ordered by the court that the petition for re-hearing in this cause be and the same is hereby granted.
>
> It is further ordered that the decree of this court reversing the decree of the District Court in this cause,

entered on December 22, 1926, be, and the same is hereby set aside.

On appellant's motion leave is hereby granted to withdraw the transcript of record in this cause for a period of thirty (30) days."

Subsequent to the entry of this order, Respondents here filed a motion (R. 627) as follows:

"Now come the Appellants, Fairbanks, Morse & Co., and Sheffield Car Company, and, being advised and believing that the term having run it is futile to withdraw the transcript as permitted by this court's permission order of January 20, 1927, petition this Honorable Court to cancel said permission to withdraw the transcript, and in lieu thereof to either:

(1) Issue an order of this Court under the second paragraph of Federal Rule 76, directing the District Court who heard the cause to correct the original transcript by a supplemental transcript of such character as this Court may under said rule now direct; or,

(2) Permit these appellants-defendants to file in this court a condensation of the present transcript of record, approved, in so far as possible, by appellees' counsel, and if not approved accompanied by his objections thereto, the same to stand with the same force and effect as though approved by the District Court."

A hearing of this motion took place on February 8, 1927, at which time an order was entered extending the time granted Appellants to withdraw the transcript of record for ten days (R. 622), which extension of time is commented upon in the affidavit of counsel for Petitioners appearing at Record, page 626.

And thereafter, upon the 11th day of February, 1927, Petitioners appeared before the Court of Appeals and presented the following motion (R. 630, 631)—

> "Now this day come the parties by their counsel and counsel for appellants present a motion to cancel permission to withdraw the transcript of record heretofore granted in this cause and in lieu thereof either:
>
> (1) Issue an order of this Court under the second paragraph of Federal Rule 76, directing the District Court who heard the cause to correct the original transcript by a supplemental transcript of such character as this court may under said rule now direct; or,
>
> (2) Permit these appellants-defendants to file in this court a condensation of the present transcript of record, approved, in so far as possible, by appellees' counsel, and if not approved accompanied by his objections thereto, the same to stand with the same force and effect as though approved by the District Court.
>
> And further, to fix times for the performance of such order or orders as it may make."

Which motion was by the Court of Appeals then and there denied. On March 8th, 1927 (R. 631) the Court of Appeals, upon Motion of Petitioner here, entered an order granting leave to Petitioner to file a memorandum of authorities showing that Equity Rule 75 does not apply to accounting cases where a Master took the evidence. And thereafter, on the 13th day of April, 1927 (R. 632), after the filing of said memorandum of authorities, which it may be presumed was considered by the Court of Appeals, that court entered the following order:

> "It is ordered by the court that the opinion heretofore

filed in this cause on December 22, 1926, be, and the same is hereby reinstated.

It is further ordered that the decree of this court heretofore entered December 22, 1926 be re-entered.

It is further ordered that the mandate in this cause be stayed until the further order of this court."

From this order and from the reinstated decree thereon, the Appellant below prosecuted its petition for writ of certiorari upon which the matter was brought before this Court.

In the *Barber* case the petition for re-hearing was denied. No opportunity was given the Appellant there to correct the record. In the instant case not only *the petition for re-hearing was granted*, and the Appellant given leave to withdraw the transcript, obviously for the purpose of correcting the same under the provisions of Rule 75, but the Court of Appeals considered motion after motion of Appellants and gave it prolonged opportunity (extending over a period of nearly four months) to meet the requirements of Rule 75. A consideration of the various motions above referred to, and of argument of Petitioners, contained in the affidavit of Petitioners' counsel (R. 626), must carry conviction that it was not the purpose of Petitioners to meet the requirements of the Court of Appeals and to correct the record and introduce it as provided by Rule 75 (b); but that *Petitioners deliberately proposed to stand on the proposition that the record as presented was sufficient* in law, that the ruling of the Court of Appeals was wholly wrong, and did this for the express purpose of getting the case before this Court on a writ of certiorari. That Petitioners' real purpose was to obtain a review of the case *on the merits* by this Court is amply evidenced by Petitioners' attempt to add exhibits to the record here by suggestion of a diminution of

the record and motion for certiorari, which this Court was called upon to consider, and denied—since the exhibits referred to related only to merits issues.

Petitioners' insistence upon Rule 76 as a solution of the matter, and that the Court of Appeals shall indicate or direct the character of "supplemental transcript" to "correct the original transcript," or shall permit Petitioners to make up its own condensation and file it with the Court of Appeals to have the same force and effect as if certified by the District Court, are on their face nothing but subterfuges, in an effort to effect Petitioners' purpose to get the case before this Court. It is inconceivable that any competent lawyer could seriously entertain the proposition either that Rule 76 has any applicability, or that the Court of Appeals could do an act absolutely without warrant of law. The only part of Rule 76 which Petitioners invoke reads as follows:

> "If, in the transcript anything material to either party be *omitted by accident or error*, the Appellate Court, on a proper suggestion or its own motion, may direct that the matter be corrected by a *supplemental* transcript."

This language is in no respect ambiguous or uncertain. It can mean only one thing—that there is a proper transcript and record before the Court, that by *accident or error* something material has been *omitted* from that transcript, and that a *supplemental* transcript may supply the *omission*, that is, an additional transcript to be used with the original transcript to make up the record. The very term "supplemental transcript" is conclusive that this is the only purpose of Rule 76.

Counsel for Petitioners, distinguished and widely ex-

perienced patent lawyers and general counsel, cannot be presumed not to have known this. They cannot be presumed to be ignorant of the foundation principle of the jurisdiction of the federal courts that it is derived wholly from constitution and statutes, so as to assume that the Court of Appeals has power in the absence of any law giving it that power to make its own transcript of record without certification or authorization of the District Court. They can not be presumed to have supposed that anything was *omitted* from the transcript of record on file, when they never pointed out or indicated in any way *any omissions*, and knew perfectly well that one of the chief grounds of the charge of failure to comply with Rule 75 was that in their transcript which they filed *everything was included*.

It is not unreasonable or unfair to assume that Petitioners urged these propositions before the Court of Appeals not in good faith. The real position of Petitioners is well shown by the affidavit signed by two of Petitioners' counsel (R. 626), wherein they assert that (Italics ours)—

> "They are counsel for Fairbanks, Morse & Co. and Sheffield Car Company, Appellants-Defendants, urging the foregoing motion to proceed under Equity Rule 76, paragraph 2; that they prepared and filed the petition for re-hearing of said parties heretofore filed in this case; that said petition for re-hearing asserted at all points that the transcript now on file on which the court heard the case is in compliance with the rules and proper in every way, *and nowhere moved nor requested the withdrawal of the transcript herein for any purpose;* that *they never* at any time either orally or in writing *suggested or requested* the order accompanying the grant of the petition, reading:

'appellant granted leave to withdraw transcript of record 30 days.'

or *any such order.*

On the other hand, these affiants assert that it is and for many months has been their opinion that paragraph 2 of Equity Rule 76 affords the only legal method of accomplishing such change, if any as this court desires to have made in the present transcript in this cause.

Affiants do not overlook an extension of 10 days made February 8, 1927, to said quoted order, which extension was made solely for the convenience of counsel on both sides should further consultation with general counsel result in appellants-defendants' permanent abandonment of the attached motion for procedure under paragraph 2 of Rule 76, and for no other purpose. By said extension, *affiants in no way intended to waive their above stated position with regard to withdrawal of transcript.*"

Here is the strongest kind of an assertion that Petitioners are satisfied as a matter of law with the transcript as they prepared and filed it; that *they do not want an opportunity to correct that transcript or make it conform with law;* that they neither suggested nor requested the order granting leave to withdraw the transcript of record, "or any such order," *i. e.*, any order for the correction of the transcript.

These actions and position of Petitioners constitute in effect an election between inconsistent remedies. The Court of Appeals was willing to permit the transcript to be corrected to accord with law, and then to re-hear the whole matter and decide the case on its merits from such corrected transcript. Petitioners did not want that remedy, undoubtedly because they knew its result would be a decree no dif-

ferent in its judgment effect from that already rendered. Petitioners wanted excuse, opportunity, to induce this Court to certify the case, in the hope that this Court would elect to hear the case throughout on its merits.

The holdings of this Court in the *Barber* case are conclusive against the position of the Petitioners that the transcript of record, made up and certified as it was, is sufficient and in accordance with law, and are conclusive that the requirement of the Court of Appeals to correct it was a proper requirement, and that if the case is further heard, the transcript must be remitted to the District Court so that compliance with the rule might be had.

In the *Barber* case, however, as stated in the opinion (Italics ours)—

> "The appellant promptly sought a re-hearing on the ground among others, that, if Rule 75b applied and had not been followed, the circumstances were such that the Court, in the exercise of a sound discretion, should not have affirmed the decree but should have remitted the transcript to the District Court so that compliance with the rule might be had. A re-hearing was denied.
>
> * * * * * * * * * *
>
> When the particular situation in the Seventh Circuit is considered, we think it is apparent that the Court of Appeals passed the bounds of a sound discretion in affirming the decree, because of the transgression, and that, upon proper terms, *it should have remitted the transcript to the* District Court to the end that a further opportunity might be had to comply with the equity rule. *Such a remission should still be made*, care being taken to require that the proceedings under the rule be conducted with reasonable dispatch."

How different the situation is here. The petition for rehearing asserted (R. 591) that—

> "The transcript is in fact complete under the rules and statute."

And again (R. 592)—

> "The transcript contains enough."

Then follows page after page of argument on the merits. There is no request for correction of the record; no suggestion is made anywhere in the voluminous petition for rehearing that the Court of Appeals should take action to effect correction of the record. The position of the Petitioners is asserted there substantially as in the affidavit we have above quoted, to the effect (R. 609) that—

> "At the time the transcript of record herein was prepared, we did not know, and notwithstanding the court's opinion here and subsequent opinions in this and other analogous cases, we do not now know, how, *rule or no rule*, a more compact, concise record could be prepared to set before this court the questions heard by the District Court and covered by the appeal and the assignments of error therein referred to in the various briefs on file."

Notwithstanding this ubiquitous attitude and the total failure of the Appellants to seek to make good its default, or even to obtain leave to correct the defective record, the Court of Appeals granted its petition for re-hearing and of its own motion gave Appellants permission to withdraw the transcript and thus to obtain a corrected transcript. For more than three months the Court of Appeals patiently considered spurious arguments of Petitioners to do something else than comply with Rule 75(b)—to consider proposals

which Petitioners must have known no court could entertain. It is from the decree made after all these prolonged and vexatious proceedings literally compelled the court to reinstate its original opinion that this writ has been prosecuted.

We urge that the Petitioners are in no position to ask for the grace of another chance, on the ground that there was no inequity in the final decision of the Court of Appeals. Petitioners elected to stand squarely on the proposition that the record prepared by them, "rule or no rule," and without a pretense of compliance with the express provisions of the rule, was a sufficient record. That is the kind of a chance which any litigant may take and which if it is resolved against him spells defeat.

In view of the above facts and circumstances and the finding of this Court that as a matter of law the decision of the Court of Appeals was right, that the record presented was not made in accordance with law, the Petitioners should be precluded from either asking or being permitted to do now the very thing which the Court of Appeals gave them full permission to do.

Indeed, Petitioners do not ask any such relief. The "reasons" for the application for certiorari are given on pages 8 and 9 of the Petition, and again restated under capitals on pages 11-13 as "POINTS." These reasons may be analyzed as follows:

> "I. An important question of Federal law has been decided by the Circuit Court of Appeals which has not been, but should be, settled by this Court."

The decision in the *Barber* case fully answers this indefinite statement.

> "II. The Circuit Court of Appeals erred in holding

> that no evidence was properly before it on this appeal, and that, therefore, the merits of the cause could not be considered, notwithstanding that there was before the said Court a statement of the evidence as to which the District Court had certified 'the statement of evidence therein is a full statement so far as is necessary to review said cause on appeal,' and said District Court had also certified the entire record 'as a full transcript of the necessary record in this case,' and the entire transcript had been approved by a member of the Circuit Court of Appeals as 'the appeal record in this cause.' "

Every item of this alleged reason or "point" has been fully disposed of by this Court's decision in the *Barber* case. Obviously a pre-appeal agreement by counsel, by the District Court or by a member of the Court of Appeals could not, and did not, make lawful what was in fact unlawful.

> "III. The Circuit Court of Appeals exceeded its power in affirming the judgment and in refusing to consider your Petitioners' appeal upon the merits without affording them an opportunity to comply *under the provisions of Rule* 76 with the provisions of said Rule 75(b) as now interpreted by said Court, and particularly in failing to point out in detail wherein Rules 75 *and 76* had not been complied with so that correction could be made as to the points named."

The Court's attention is called to the tricky language of this so-called "reason." It does not charge that the Court of Appeals refused to grant opportunity to comply under the provisions of Rule 75(b), but that the refusal was to comply "under the provisions of Rule 76 with the provisions of Rule

75(b)." As Rule 76 has nothing to do with the matter, as petitioners very well knew, and know, there is no assertion that the Court of Appeals did not afford Petitioners the remedy of making correction under Rule 75(b), and there could not be, because the Court of Appeals did in fact afford such remedy. The final clause of this "reason" assumes that the duty imposed by law upon the Appellant to condense the testimony, lodge it with the Court and prepare the transcript may be transferred to the Court of Appeals, which is on its face a wholly untenable position.

> "IV. Assuming that the interpretation of Rule 75 now announced by the Circuit Court of Appeals is correct, and that it has the power to refuse to consider Petitioners' appeal on the merits because said rule as so announced has not been complied with, then the said Court of Appeals failed to exercise a sound discretion in affirming the judgment in this cause without considering the merits and without affording the Petitioners an opportunity to, *under the provisions of Rule 76*, comply with said Rule 75 as now interpreted by it."

Here again no question is raised that the Court of Appeals did not afford the Petitioners an opportunity to comply with Rule 75, because no such question could be raised, since the Court of Appeals did afford that opportunity. The Petitioners lug in Rule 76, its *modus operandi* for preventing a correction of the record and a decision of the matter by the Court of Appeals, in order to find means to get the case before this Court.

> "V. The Circuit Court of Appeals has exceeded its authority and failed to do its duty in refusing to pass on all those portions or parts of the record that do not

involve the condensed statement of the testimony as called for by Rules 75 and 76."

Here again Petitioners, without any reason other than as indicated above, insisted upon improper joinder of Rules 75 and 76. The other part of their reason has already been determined by this Court in the *Barber* case, holding—

> "The practice was in contravention of the equity rule and the Court of Appeals was right in giving effect to the rule by declining to examine the mass of evidence wr gly reproduced."

In the instant case the record shows on its face that no compliance with the rule was had, that the transcript was made up upon stipulation. That the District Court certified it solely on the basis of the stipulation. There was nothing in the certificate or in the transcript itself to indicate to the Court whether any part of the transcript had been properly condensed, and it is certain that a large part of it was not condensed at all. As a matter of fact, only what came in from an earlier record was condensed. Under such circumstances the Court of Appeals had no duty to search through the record to find, if it could, what parts of the transcript did or did not comply with Rule 75. Moreover, as we have already pointed out, certain questions of law which did not require the examination of testimony were decided by the Court.

> "VI. Does Rule 75 apply to testimony taken before the Master and returned by him with his report to the Court?"

That question has been answered in the affirmative in the *Barber* case, where the testimony involved was taken before a Master.

The prayer of the petition is merely "that a Writ of Certiorari issue to the United States Circuit Court of Appeals for the Seventh Circuit." The brief in support of it asserts the five reasons as "five points" and asks nothing more. *There is nowhere any request or suggestion that the cause be remanded to the Court of Appeals to permit Petitioners to correct the transcript under Rule 75 (b).*

If this Court should decide to do that, notwithstanding Petitioners have already had opportunity given by the Court of Appeals and have refused to accept it, and *do not here ask for that relief*, there certainly should be reimbursement to Respondents in a substantial amount. Not only was the opinion of the Court of Appeals, declining to examine the evidence and affirming the District Court's decree in part on that ground, brought about by Petitioners' dereliction, but there have been a multiplicity of fictitious and troublesome motions brought up for consideration since the opinion was rendered. Even since the Petition was granted by this Court, Petitioners have harassed Respondents with their suggestion for diminution of the record and motion for certiorari, showing that their evident purpose in deliberately maneuvering to procure the allowance of the writ of certiorari was to have this Court take jurisdiction to pass upon the merits of the case. Moreover, the correction of the transcript will require a large amount of labor on the part of Respondents and the preparation and printing of new briefs. It is believed that the vexatious delay and expense to Respondents here is far greater than was true in the *Barber* case, and that the Court should take that into consideration in fixing the compensation to be paid Respondents as a prerequisite of reversing and remanding, should the Court decide to settle the matter in that way.

Doubtless Petitioners will lay great stress upon the fact that counsel for Respondents stipulated the transcript that was used. It was necessary for counsel to read the extended transcript, which was done, and the stipulation was entered into in perfect good faith, because counsel, who is not a resident of Chicago, or very familiar with the practice in the Seventh Circuit, was informed by Chicago counsel of Petitioners that such a practice was satisfactory and would result in reduction of expense. However, there is no claim made that the stipulation was in any respect an inducing cause of Petitioners' dereliction. Petitioners had the duty imposed upon them by law of preparing a condensed statement of the evidence. They did not require permission or agreement on the part of counsel for Respondents to that end. If they had followed the rule, prepared the condensed statement, and lodged it with the District Court as required by the rule, that would automatically have imposed upon the Respondents the duty of accepting the condensed statement as prepared or of lodging a counter-praecipe and corrections. It may be noted that *the present record does not even include a praecipe.* It cannot be seen that the real position is any different from that of the Respondent in the *Barber* case as set forth in this Court's opinion, which states:

> "The Appellee made no objection to the praecipe, to the designation of the evidence or to the form in which the same was set forth at the pages indicated; nor did it file a praecipe for anything more."

And later, after the transcript had been sent back to the District Court for a new certificate, it is stated that—

> "Neither party made any effort at that time to have the evidence condensed or the testimony put in narrative form."

And the Appellee there appeared only to challenge the Court's power to grant the motion, and made no objection to the form of the order which directed that "all the testimony in this cause be reproduced in the exact words of the witnesses, and not in narrative form."

It is submitted that Petitioners have had their day in Court; that they elected not to comply with the permission extended by the Court and correct their transcript and make it comply with Rule 75, and stood, rather, upon the proposition that the transcript as prepared by them was sufficient; that they did not ask the Court of Appeals to remit the transcript and give opportunity to correct it, and that they do not ask this Court to have the transcript remitted and corrected. It would seem, therefore, that they are precluded now from asking that; and, further, since this Court has decided in the *Barber* case that such a transcript is improper and not in accord with law, there is no other remedy available for Petitioners, and the decree of the Court of Appeals should be affirmed.

Otherwise, if this Court should decide, for any reason, that the same action should be taken as was taken in the *Barber* case, it will be apparent that Respondents here have suffered greater damage than the Respondents there, both in vexatious delay and in multiplied expenses, for which they ought to be compensated.

Respectfully submitted,

FRANK A. WHITELEY,
Counsel for Respondents.

FEB 21 1928
CHARLES ELMORE CROPLEY
CLERK

Supreme Court of the United States

OCTOBER TERM, 1927.

No. 262.

FAIRBANKS, MORSE & COMPANY, AND SHEFFIELD CAR COMPANY, *Petitioners,*

vs.

AMERICAN VALVE & METER COMPANY, AND EDWARD E. JOHNSON, *Respondents.*

PETITION TO ADMIT AND CONSIDER AFFIDAVIT. AFFIDAVIT OF FRANK A. WHITELEY.

F. A. WHITELEY,
Attorney for Respondents.

Hayward Brief Company, 601-607 Fourth Ave. So., Minneapolis

Supreme Court of the United States

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FAIRBANKS, MORSE & COMPANY, AND SHEFFIELD CAR COMPANY, *Petitioners,*

vs.

AMERICAN VALVE & METER COMPANY, AND EDWARD E. JOHNSON, *Respondents.*

PETITION TO ADMIT AND CONSIDER AFFIDAVIT.

In view of the affidavit of Howard M. Cox, filed in connection with the brief of Petitioners on Order to Show Cause herein, it is respectfully requested that the annexed affidavit of Frank A. Whiteley be filed and considered.

F. A. WHITELEY,
Attorney for Respondents.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1927.

No. 262.

FAIRBANKS, MORSE & COMPANY, AND SHEFFIELD CAR COMPANY, *Petitioners*,

vs.

AMERICAN VALVE & METER COMPANY, AND EDWARD E. JOHNSON, *Respondents*.

AFFIDAVIT OF FRANK A. WHITELEY.

State of Minnesota,

ss.

County of Hennepin.

Frank A. Whiteley, being first duly sworn, deposes and says as follows:

I am counsel for Respondents in the above entitled cause. On Friday, February 17th, at two o'clock P. M., there was received from the postoffice, brief of the Petitioners (Appellants) and an accompanying affidavit of Howard M. Cox. This affidavit is no part of the record before the Court, or of the brief called for by the Order to Show Cause herein, is new matter, and came to the attention of affiant only as above stated. It sets up certain facts in part only, and, if this Court is disposed to consider those facts at all, it should have them before it and consider them in their entirety. It is true, as stated in Mr. Cox's affidavit, that "there was similar handling of about a dozen other patent suits." That is, the Court of Appeals had affirmed the decision of the District Court on the ground that the record was not prop-

erly made up as required by Rule 75 (b) and, hence, that there was no evidence before the Court of Appeals; and thereafter had granted a petition for re-hearing together with leave to "withdraw the transcript of record in this cause for a period of thirty (30) days," just as it did in this case. Affiant is informed and believes, and states the fact to be, that in every case, excepting that of the Petitioners here, the transgressing appellants accepted and acted upon the permission given by the Court of Appeals, withdrew, corrected and re-filed the transcripts and obtained re-hearing of their cause by the Court of Appeals.

This affiant discussed the matter with a number of the counsel who took this action and the general belief of counsel was that, in view of decisions of Circuit Courts of Appeals, some of which are cited in this Court's opinion, in *Barber Asphalt Paving Co. vs. Standard Asphalt & Rubber Co.*, there could be no question but what the District Court had the power to take jurisdiction to supply a new transcript made up in accordance with the Rule, when the Court of Appeals surrendered jurisdiction by permitting withdrawal of the old transcript. No lawyer with whom affiant discussed the matter ever suggested that Rule 76 could be used in that situation, and this affiant has no knowledge that any one other than counsel for Petitioners here, in connection with its proceedings before the Court of Appeals for the Seventh Circuit, ever suggested or supposed that Rule 76 could have anything to do with the matter.

FRANK A. WHITELEY.

Subscribed and sworn to before me this 18th day of February, 1928.

ANNIE M. ROYAL,
Notary Public.

State of Minnesota,

ss.

County of Hennepin.

F. A. Whiteley, being duly sworn, deposes and says that he is attorney of record for Respondents in the above proceeding; that on February 18, 1928, he caused to be transmitted by registered mail to F. L. Chappell, 531 West Main Street, Kalamazoo, Mich., attorney for Petitioners, a copy of the within affidavit.

FRANK A. WHITELEY.

Subscribed and sworn to before me this 18th day of February, 1928.

ANNIE M. ROYAL,
Notary Public.